

State Government

Many student financial aid programs in Alabama are administered by state agencies, especially the Alabama Commission on Higher Education (ACHE). This chapter provides information on state-administered programs, including mailing addresses, phone numbers, e-mail addresses and websites.

KHEAA–Alabama was created in 1995 after the U. S. Department of Education designated KHEAA as the official loan guarantor for Alabama colleges participating in the Federal Family Educational Loan Program. A KHEAA–Alabama branch office opened in Montgomery soon thereafter to better serve the needs of schools, lenders and students. If you need more information about KHEAA–Alabama, call toll free 800.928.8926 or visit www.alstudentaid.com.

State Government

Federal Government

Public Universities

**Private Colleges
and Universities**

**Two-Year
Public Colleges**

Trade Schools

**Companies and
Organizations**

Alabama Commission on Higher Education



Contact: Unless otherwise noted, Alabama Commission on Higher Education, P.O. Box 302000, Montgomery, AL 36130-2000, phone 334.242.2273, website www.ache.state.al.us

Grants

Alabama Student Assistance Program Grant

Eligibility: Must be a financially needy Alabama undergraduate resident attending an eligible school at least half-time.

Award: \$300–\$5,000 each academic year

Alabama Student Grant

Eligibility: Must be an Alabama undergraduate resident enrolled at least half-time at an eligible independent Alabama college or university, which includes Amridge University, Birmingham-Southern College, Concordia College, Faulkner University, Huntingdon College, Judson College, Miles College, Oakwood College, Samford University, Southeastern Bible College, Spring Hill College, Stillman College, the U.S. Sports Academy and the University of Mobile. Not based on financial need.

Award: Up to \$1,200 per year

Contact: Financial aid office

Conversion Scholarships/Loans Alabama Teacher Recruitment Incentive Program (ATRIP)

Eligibility: Must be a graduating high school senior or Alternative Class A student who enrolls full-time in a teacher education program in a critical-need field (math, general science, English/language arts or special education) at an eligible college; be a legal Alabama resident and a U.S. citizen, national, permanent resident or citizenship applicant; meet the college's minimum required GPA and ACT/SAT requirements; successfully complete all courses for which the scholarship is re-

ceived; and have financial need. Must not be in default on a state or federal student loan or owe a refund on a state or federal grant. Alternative Class A students must have earned at least a bachelor's degree from a regionally accredited U.S. college in an area leading to certification in one of the critical-need areas; demonstrate a record of high performance in area of certification; and be admitted unconditionally to the Alternative Class A certificate program. Undergraduate students must not already hold a bachelor's or master's degree in one of the critical need areas.

Obligation: Must teach 1 year in the Alabama public school system in 1 of the 4 critical-need fields for each year the award is received, or the scholarship will convert to a loan to be repaid at 8% interest.

Award: Up to \$5,000 per year; renewable if student maintains financial need, satisfactory academic progress and the college's minimum required GPA; must reapply yearly

Number: 100 undergraduate; 60 Alternative Class A

Deadline: March 31, undergraduates; Alternative Class A candidates, June 1

Contact: Sandra Jackson or Dr. Tyna Davis, Alabama Education Association; phone 800.392.5839; website www.atrip.alabama.gov/

Scholarships

Junior and Community College Athletic Scholarship

Eligibility: Must demonstrate satisfactory athletic ability during tryouts; enroll full-time in an Alabama public junior or community college; and participate in a designated sport or activity. Not based on financial need.

Award: Tuition and books (limits on various sports may apply); renewable on the basis of continued participation

Number: Varies by sport

Contact: Coach, athletic director or financial aid office

Junior and Community College Performing Arts Scholarship

Eligibility: Must compete in talent audition process, qualify in same and enroll full-time in an Alabama public junior or community college. Not based on financial need.

Award: In-state tuition

Number: Varies

Contact: Financial aid office

Senior Adult Scholarship

Eligibility: Must be at least 60 years old, meet admissions requirements, and attend a 2-year public college in Alabama.

Award: Tuition

Number: Varies

Contact: Financial aid office

Technology Scholarship Program for Alabama Teachers (TSPAT)

Eligibility: Must be a full-time, regularly certified teacher in the Alabama public school system and enroll at an approved Alabama college or university in an approved course that incorporates new technologies into the curriculum.

Award: Tuition and fees for approved technology courses

Contact: TSPAT, Alabama Commission on Higher Education, P.O. Box 302000, Montgomery, AL 36130-2000; phone 334.242.2276

Two-Year College

Academic Scholarship

Eligibility: Must demonstrate academic merit (as determined by the school's scholarship committee) and be accepted for enrollment at a 2-year public college in Alabama. Not based on financial need. Priority given to in-state residents.

Award: In-state tuition and books; renewable on the basis of continued academic merit

Number: Varies

Contact: Financial aid office

Other

Police Officer's and Firefighter's Survivor's Educational Assistance Program

Eligibility: Must be the dependent or spouse of an Alabama police officer or firefighter killed in the line of duty and be enrolled in an undergraduate program at an Alabama public college or university. Other special eligibility requirements may apply.

Award: Tuition, fees, books and supplies

Alabama Department of Economics and Community Affairs



Contact: Alabama Department of Economic and Community Affairs, 334.749.5704 or America's Service Locator at www.servicelocator.org

**Other
Training/Employment Services
Workforce Investment Act (WIA)**
Eligibility: Must be 18 years or older to access services from a number of different programs through 1 of 3 local workforce areas: the Jefferson County Commission, the Mobile County Commission and the Alabama Workforce Investment Area, all of which administer these federal programs. Programs are offered locally through Alabama's Career Center System. Youths 14–21 can access a variety of education and employment services as they prepare for the workforce. To receive services, youth must be low-income and have at least 1 barrier to employment. Dislocated workers can access training and other re-employment service, including scholarships, through local Career Centers.

Alabama Department of Education



Contact: Alabama Department of Education, P.O. Box 302101, Montgomery, AL 36130-2101, phone 334.242.9935, website www.alsde.edu

Scholarships

Robert C. Byrd Honors Scholarship
Eligibility: Must be an Alabama resident and U.S. citizen, national or lawful permanent resident; be a recent GED recipient or current senior at an Alabama high school

nominated by the school guidance counselor; and be enrolled in or have applied to an eligible school. Based on ACT or SAT score and academic performance in a challenging high school curriculum.
Award: \$1,500; renewable for up to 4 years of undergraduate work
Contact: Alabama Department of Education, high school guidance counselor or adult education provider

Alabama Department of Industrial Relations



Contact: Jackie Atkins, Alabama Department of Industrial Relations, 649 Monroe Street, Montgomery, AL 36131, phone 334.242.8635, website <http://dir.alabama.gov>

Other

Trade Adjustment Assistance

Eligibility: Must be a worker who has lost employment, wages or hours of work with an affected employer, who has been certified by the U.S. Department of Labor, due to increased imports or shifts in production to foreign countries; must file a claim for unemployment compensation and a claim for Trade Adjustment Assistance; upon approval of claim, must report to One-Stop Career Center to apply for benefits and services.

Award: Tuition, fees, supplies and tools for training worker to achieve reemployment.

Alabama Department of Rehabilitation Services



Contact: See contact information under each program.

Scholarships

Alabama Scholarship for Dependents of Blind Parents/Textbook Benefits for Dependents of Blind Parents

Eligibility: Must be an Alabama resident for at least five years; be from a family in which the head of household is blind and whose family income is at or below 1.3 times the current poverty income level, as determined by federal poverty guidelines based on family size; and begin attending an Alabama public college, university or trade school within 2 years after high school graduation but before the age of 23.

Award: Tuition and instructional fees; renewable up to 4 years. The number of free textbooks provided is contingent upon the number of participants in the program.

Contact: Debra Culver, Alabama State Department of Rehabilitation Services, Blind and Deaf Services, 7 Bemiston Avenue, Talladega, AL 35160; call 334.293.7315 (Montgomery office) or 256.362.0638 (Talladega office); or e-mail debbie.culver@rehab.alabama.gov

Other

Vocational Rehabilitation

Eligibility: Must be an Alabama resident, have applied for a Federal Pell Grant and have exhausted other sources of aid. Based on disability creating an impediment to employment.

Award: Varies

Number: Varies

Deadline: Early spring

Contact: Local Vocational Rehabilitation office or Alabama Department of Rehabilitation Services, 602 S. Lawrence Street, Montgomery, AL 36104; phone 334.293.7500 or 800.441.7607; fax 334.293.7371; website www.rehab.state.al.us

Alabama Department of Veterans Affairs



Contact: County veterans service officer or Alabama Department of Veterans Affairs, P.O. Box 1509, Montgomery, AL 36102-1509, phone 334.242.5077, website www.va.state.al.us

Scholarships

Alabama GI Dependents' Educational Benefit Program

Eligibility: Must be the child, stepchild, spouse or unremarried widow of an eligible disabled Alabama veteran and be an undergraduate or graduate student at an Alabama public college. Children and stepchildren of the disabled veteran must begin college before they are 26 years old, in some cases 30 years old. Spouses and widows have no age deadline.

Award: Tuition, instructional fees and book assistance

Alabama Indian Affairs Commission



Contact: Alabama Indian Affairs Commission, 771 South Lawrence Street, Suite 106, Montgomery, AL 36130; phone 334.242.2831 or 800.436.8261 (Alabama only); fax 334.240.3408; website www.aiac.alabama.gov; e-mail aiac@att.net

Scholarships

Alabama Indian Scholarship Fund

Eligibility: Must have a tribal roll card in a state or federally recognized tribe; be a resident of Alabama; attend a school in Alabama unless the program is not offered in Alabama; and have a letter of acceptance from the school of choice.

Award: Varies

Number: Varies

Deadline: First Friday in March

Alabama National Guard



Contact: Local National Guard unit or the State Area Command Headquarters, Alabama Army National Guard, P.O. Box 3711, Montgomery, AL 36109-0711; phone 334.271.7200; website <http://al-guard.state.al.us>

Other

Alabama National Guard Educational Assistance

Eligibility: Must be an active member in good standing with a federally recognized unit of the Alabama National Guard; be an Alabama resident attending an Alabama college or university; and not be receiving 100 percent of covered expenses from federal veterans' educational benefits available to National Guard members during the term payments are received. Based on need.

Award: Tuition, educational fees, books and supplies up to \$1,000 per year (\$500 per term)

Number: Limited

Alabama State Treasury



Contact: Alabama State Treasurer's Office, College Savings Programs, 600 Dexter Avenue, Suite S-106, Montgomery, AL 36104; call 334.242.7514 or toll free 866.529.2228 for the 529 Fund and 800.252.7228 for PACT; or visit www.treasury.alabama.gov.

Other

Alabama Higher Education 529 Fund

Description: Helps families save for a child's college education. Three investment options are offered with a minimum investment of \$250 or \$25 per month. Qualified

withdrawals are exempt from state and federal taxes. Account savings can be used at any qualified college in the nation to pay for tuition, fees, books, supplies and certain room and board costs.

Deadline: Open enrollment year-round

Prepaid Affordable College Tuition (PACT)

Description: Offers for sale a contract to prepay 1 year or 4 years of future college tuition. At the time of purchase, the child must be in the ninth grade or younger. The cost of the contract is based on the age or grade level of the child. Lump sum or monthly payment plans may be selected. PACT does not have a scholarship program.

Deadline: Enrollment period — October through December

KHEAA— Alabama



Contact: KHEAA—Alabama, 100 North Union Street, Suite 390, Montgomery, AL 36104, toll-free phone 800.928.8926, fax 334.265.9750, or website www.alstudentaid.com; college financial aid office; or high school guidance counselor

Note: KHEAA—Alabama is the federally designated FFELP guarantor in Alabama. KHEAA—Alabama guarantees FFELP loans made by the Alabama College Loan Program and other FFELP lenders.

Loans

Federal PLUS Loan (Federal Family Education Loan Program [FFELP])

Eligibility: Must be the parent or step-parent of a dependent undergraduate student as determined by the school or be a graduate or professional student; be a citizen, permanent resident or eligible noncitizen of the United States and verify Social Security number and immigration status; not be in default or owe a refund on any educational grant or loan unless satisfactory arrangements have been made toward repayment; and not have an adverse credit history under federal regulations.

Student must be enrolled or accepted for enrollment at least half-time in an eligible degree or certificate program at an eligible school; be in good standing and making satisfactory academic progress if currently enrolled; and not be attending elementary or secondary school.

Repayment: Repayment begins within 60 days after the loan is fully disbursed. Payments on principal may be deferred under certain circumstances. Interest begins to accrue upon disbursement and must be paid monthly or quarterly or be added to the principal. PLUS Loans have a fixed interest rate of 8.5%.

Award: The annual loan amount may not exceed the student's estimated cost of attendance minus any other financial aid the student receives. There is no limit on the total amount a parent can borrow during a student's college years.

Number: Unlimited

Deadline: The financial aid office at the school the student plans to attend must certify the loan application on behalf of the student at the earliest opportunity before or during the student's enrollment period.

Application: FAFSA and PLUS Loan application. For a PLUS Loan application, contact a participating lender, a college financial aid office, or KHEAA—Alabama.

Federal Stafford Loan (FFELP)

Eligibility: Must be an undergraduate, graduate or professional student; be a citizen, permanent resident or eligible noncitizen of the United States; be enrolled or accepted for enrollment at least half-time in an eligible degree or certificate program at an eligible school; have a high school diploma or its equivalent; be in good standing and making satisfactory academic progress if currently enrolled; and not be in default or owe a refund on any federal education grant or loan unless arrangements have been made to repay the debt.

Students must demonstrate financial need to qualify for a *subsidized* loan. The federal government pays the interest while the student is in school, during authorized deferment periods, and for six months after the student ceases to be enrolled at least half-time. The borrower begins paying the interest and principal when the loan enters repayment.

Students do not have to demonstrate financial need to qualify for an *unsubsidized* loan. Unlike a subsidized loan, the borrower must begin paying the interest immediately. Interest on an unsubsidized loan may be paid monthly or quarterly or added to the principal balance.

Financial need is determined for the subsidized loan before eligibility is determined for the unsubsidized loan.

The Stafford Loan amount for an academic period cannot exceed the student's cost of attendance (as determined by the school) minus the student's estimated financial assistance and, if the loan is subsidized, expected family contribution. Schools will determine the student's eligibility.

Repayment: Several repayment plans are available. Six months after the borrower leaves school or drops below half-time status, repayment begins on a subsidized loan. Repayment on an unsubsidized loan begins immediately upon disbursement but may be delayed until 6 months after the borrower leaves school or drops below half-time status; however, interest begins to accrue upon disbursement. The fixed interest rate on newly originated subsidized Stafford Loans for undergraduate students is 6%. The interest rate for subsidized Stafford Loans for graduate students is 6.8%. The unsubsidized Stafford Loan interest rate is 6.8%.

Award: A borrower may receive a subsidized loan, an unsubsidized loan, or both for an academic period. However, the total amount received may not exceed the loan limits for each academic year based on the borrower's dependency status and grade level and the length of the program of study in which the borrower is enrolled. The current loan limits for dependent undergraduates whose parents are eligible for PLUS Loans are:

Grade Level	
First Year	\$ 5,500*
Second Year	\$ 6,500**
Each Remaining Year of Undergraduate Study	\$ 7,500***

The current loan limits for independent undergraduates and dependent undergraduates whose parents aren't eligible for PLUS Loans are:

Grade Level	
First Year	\$ 9,500*
Second Year	\$10,500**
Each Remaining Year of Undergraduate Study	\$12,500***

The current loan limit for graduate students for each year of graduate/professional study is \$20,500.

*No more than \$3,500 of this amount may be subsidized.

**No more than \$4,500 of this amount may be subsidized.

***No more than \$5,500 of this amount may be subsidized.

Number: Unlimited

Deadline: The financial aid office at the school the student plans to attend must certify the loan application on behalf of the student at the earliest opportunity before or during the student's enrollment period.

Application: FAFSA and the Federal Stafford Loan Master Promissory Note (MPN). The MPN can be submitted and signed electronically through KHEAA—Alabama's eSign process at www.alstudentaid.com. A paper MPN can be obtained from a lender or financial aid office. Students should contact the school to which they are applying to see if they prefer an electronic or paper MPN.

Federal Consolidation Loan (FFELP)

Eligibility: Must be in grace period or repayment status on all loans being consolidated; have made satisfactory repayment arrangements with the holder of each loan (if a delinquent or defaulted borrower) or agree to repay the consolidating lender under an income-sensitive repayment plan; not be subject to a judgment secured through litigation or wage garnishment unless judgment has been vacated or wage garnishment lifted; and not have a Consolidation Loan application pending with another lender.

The following loans can be consolidated: Federal Family Education Loans (subsidized and unsubsidized Stafford, formerly Guaranteed Student Loans; PLUS; Supplemental Loans for Students [SLS], formerly Auxiliary Loans to Assist Students [ALAS]; and Consolidation); Federal Insured Student Loans (FISL); Federal Perkins Loans, formerly National

Direct/Defense Student Loans; Health Education Assistance Loans (HEAL); Health Professions Student Loans (HPSL), including Loans for Disadvantaged Students (LDS); Federal Nursing Student Loans; and Federal Direct Loans (subsidized and unsubsidized Stafford, PLUS, and Consolidation). New loans may be added if the request is received by the consolidation lender within 180 days of the date the Consolidation Loan is made.

Repayment: The repayment period depends on the amount of the Consolidation Loan. Other student loans are considered when calculating the repayment period. The consolidation lender must offer the choice of a graduated or income-sensitive repayment schedule. Except for the portion of the Consolidation Loan attributable to HEAL, the interest rate is a fixed rate of 8.25% or the weighted average of the interest rates on the loans being consolidated, rounded to the next higher 1/8 of 1%, whichever is less.

The interest rate on the HEAL part of the loan (if applicable) varies and is set each July 1. The variable rate for each 12-month period is equal to the average of the bond equivalent rate of the 91-day Treasury bills auctioned for the quarter ending June 30, plus 3%. The 8.25% interest rate cap does not apply.

Contact: Your lender